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COMMISSIONERS
Arizona Corporation Commission
DOUG LITTLE, Chairman
BOB STUMP
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BEFORE THE ARIZONA CORPORATION COMMISSION

IN THE MATTER OF THE APPLICATION OF ARIZONA WATER COMPANY, AN ARIZONA CORPORATION, FOR A DETERMINATION OF THE FAIR VALUE OF ITS UTILITY PLANT AND PROPERTY AND FOR ADJUSTMENTS TO ITS RATES AND CHARGES FOR UTILITY SERVICE FURNISHED BY ITS NORTHERN GROUP AND FOR CERTAIN RELATED APPROVALS.

Docket No. W-01445A-12-0348

MOTION TO LIFT STAY AND FOR REINSTATEMENT OF SYSTEM IMPROVEMENTS BENEFIT MECHANISM (NORTHERN GROUP SYSTEMS)

Arizona Water Company moves to lift the stay and reinstate the System Improvements Benefit ("SIB") mechanism in light of the Arizona Supreme Court Opinion in *Residential Utility Consumer Office v. Arizona Corporation Commission*, Case No. CV-15-0281-PR, 2016 WL 4177569 (August 8, 2016). In that Opinion, the Supreme Court vacated a decision of the Arizona Court of Appeals, dated August 18, 2015 in two consolidated cases, Nos. 1 CA-CC 13-002 and 1 CA-CV 14-0001, and held that the SIB mechanism "complies with the Arizona Constitution's mandate that the Commission determine the fair value of a utility's property when setting rates." Opinion, ¶ 1.

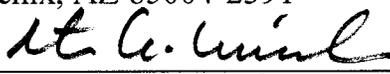
In Decision No. 74081 (Sept. 23, 2013), the Commission granted Arizona Water Company a SIB for its Northern Group water systems, and the Commission approved a Plan of Administration for the SIB in Decision No. 75030 (April 23, 2015). In light of the appeal by Residential Utility Consumer Office of those decisions, the Commission issued Decision No. 75305 (October 27, 2015), which stayed operation of the SIB. As a result of

1 the Supreme Court decision upholding the SIB in *Residential Utility Consumer Office v.*
2 *Arizona Corporation Commission*, it is now appropriate to lift the stays and reinstate the
3 approved SIB mechanisms in this docket.

4 Under these circumstances, Arizona Water Company requests that the Commission
5 issue an order lifting the stay, reinstating the SIB mechanism originally approved in
6 Decision No. 74081, and directing the Company to comply with the requirements and
7 conditions set forth in the approved SIB Plan of Administration. Arizona Water Company
8 requests that the Commission act on this request expeditiously.

9 RESPECTFULLY submitted this 23rd day of August, 2016.

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QUARLES & BRADY LLP
One Renaissance Square
Two North Central Avenue
Phoenix, AZ 85004-2391
By 
Steven A. Hirsch
Rodney W. Ott

1 ORIGINAL, plus thirteen (13) copies of the
2 foregoing filed this 23rd day of August, 2016, with:

3 Docket Control Division
4 Arizona Corporation Commission
5 1200 West Washington Street
6 Phoenix, AZ 85007

7 COPY of the foregoing hand-delivered or mailed
8 this 23rd day of August, 2016, to:

9 Daniel W. Pozefsky, Chief Counsel
10 Residential Utility Consumer Office
11 1110 West Washington Street, Suite 220
12 Phoenix, AZ 85007

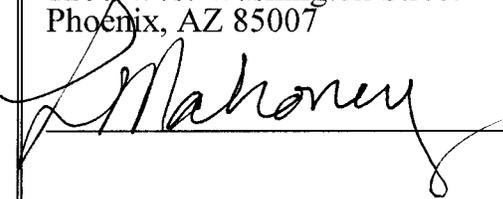
13 Dwight Nodes, Chief Administrative Law Judge
14 Hearing Division
15 ARIZONA CORPORATION COMMISSION
16 1200 West Washington Street
17 Phoenix, AZ 85007

18 Wesley Van Cleve
19 Charles H. Hains
20 Matthew Laudone
21 Legal Division
22 Arizona Corporation Commission
23 1200 West Washington Street
24 Phoenix, AZ 85007

25 COASH & COASH
26 1802 North 7th Street
Phoenix, AZ 85006

Janice Alward
Legal Division Director
Arizona Corporation Commission
1200 West Washington Street
Phoenix, AZ 85007

Thomas M. Broderick
Director, Utilities Division
Arizona Corporation Commission
1200 West Washington Street
Phoenix, AZ 85007

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